

# STATE OF COLORADO

## Department of State

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### MEMORANDUM

**To:** All Colorado Political Committees, Small Donor Committees, Political Parties, and Other Persons or Entities Who Will Make Independent Expenditures in Upcoming Elections.

**From:** The Colorado Secretary of State's Office, Campaign Finance Unit

**Date:** May 25, 2010

**Re:** New legislation that pertains to committees and persons making independent expenditures in Colorado elections (Senate Bill 10-203).

During the 2010 legislative session, Colorado lawmakers passed Senate Bill 10-203, which affects reporting requirements for independent expenditures made to influence Colorado elections. This bill has now been signed into law. In addition to outlining new reporting requirements for independent expenditures, Senate Bill 10-203 establishes a requirement that persons, businesses, committees, and other entities that spend \$1,000 or more on independent expenditures, register as an independent expenditure committee.

#### Who is affected?

This legislation concerns independent expenditures, which are **expenditures "not controlled by or coordinated with any candidate" that expressly advocate the election or defeat of a candidate or candidates** (Art. XXVIII, Sec. 2(9) of the Colorado Constitution). The new legislation pertains only to those persons, businesses, committees, and other entities that accept donations for independent expenditures in amounts totaling \$1,000 or more, those making independent expenditures totaling \$1,000 or more, and those making donations totaling \$1,000 or more to other entities for the purpose of making independent expenditures.

- **Political committees, political parties, and small donor committees** registered with the Colorado Secretary of State **are required to register a separate independent expenditure committee** *if* they will be accepting donations totaling \$1,000 or more to be used for independent expenditures, or if they will make independent expenditures totaling \$1,000 or more.
- **Candidate committees who run advertisements against their opponents in the same political race are not required to register independent expenditure committees.**

#### When will I need to register and report?

Under the new legislation, "Any person who accepts a donation that is given for the purpose of making an independent expenditure in excess of one thousand dollars or that makes an

independent expenditure in excess of one thousand dollars” is required to register with the appropriate officer within two business days (section 1-45-107.5(3)(a), C.R.S.).

**All persons required to report independent expenditures must now form independent expenditure committees when donations for independent expenditures, or spending on independent expenditures reaches \$1,000. Independent Expenditure Reports will then be filed according to the reporting schedule for political committees outlined in section 1-45-108(2), C.R.S., and independent expenditures of \$1,000 or more made within 30 days before a primary or general election must be reported within 48 hours (section 1-45-107.5, C.R.S.).**

Registration and reporting required by Senate Bill 10-203 will be done using PDF forms through the end of 2010, allowing time for modifications to the Secretary of State’s campaign finance filing system, TRACER. The necessary PDF forms are available on our website at [www.sos.state.co.us](http://www.sos.state.co.us). These forms can be filed by email, fax, or in person.

This is only a broad summary of the changes made by Senate Bill 10-203. A copy of the new legislation is available on the General Assembly’s website at <http://bit.ly/bS619V>, and we encourage you to review it in its entirety. If you need legal guidance regarding the requirements of Senate Bill 10-203, please consult an attorney. This memorandum is intended to make you aware of this new law, and is in no way intended to constitute legal advice, nor is the Secretary of State’s office permitted to issue legal advice. Please call the Campaign Finance Support Team if we can provide assistance, at (303) 894-2200 ext. 6383, or email [cpfhelp@sos.state.co.us](mailto:cpfhelp@sos.state.co.us).